"1460. Supplemental spouse coverage: reductions in retired pay.
"1460a. Incorporation of certain administrative provisions.
"1460b. Regulations.

"§ 1456. Supplemental spouse coverage: **establishment** of plan; definitions

"(a) ESTABLISHMENT OF SUPPLEMENTAL SURVIVOR BENEFIT PLAN —

"(1) PLAN.—The Secretary of Defense shall carry out a program in accordance with this subchapter to enable participants in the Survivor Benefit Plan who are providing coverage for a spouse or former spouse beneficiary under that Plan to also provide a supplemental annuity for that spouse or former spouse beginning when the participant dies or when the spouse or former spouse becomes 62 years of age, whichever is later, in order to offset the effects of the two-tier annuity computation under the Survivor Benefit Plan.

"(2) NAME OF PLAN.—The program under this subchapter shall be known as the Supplemental Survivor Benefit Plan.

"(b) DEFINITIONS.—

"(1) INCORPORATION OF DEFINITIONS APPLICABLE TO SURVIVOR BENEFIT PLAN.—The definitions in section 1447 of this title apply in this subchapter.

"(2) SUPPLEMENTAL SPOUSE ANNUITY DEFINED.—In this subchapter, the term 'supplemental spouse annuity' means an annuity provided to a spouse or former spouse under this subchapter.

"§ 1457. Supplemental spouse coverage: payment of annuity; amount

"(a) COMMENCEMENT OF ANNUITY.—A supplemental spouse annuity commences on the later of—

"(1) the day on which an annuity under the Survivor Benefit Plan becomes payable to the beneficiary; or

"(2) the first day of the first month after the month in which the beneficiary becomes 62 years of age.

"(b) AMOUNT OF ANNUITY FOR BENEFICIARY OF PERSON PROVIDING STANDARD ANNUITY UNDER SBP.—In the case of a person providing a standard annuity for a spouse or former spouse beneficiary under the Survivor Benefit Plan and providing a supplemental spouse annuity for that beneficiary under this subchapter, the monthly annuity payable to the beneficiary under this subchapter shall be the amount equal to 20 percent of the base amount

under the Survivor Benefit Plan of the person providing the annuity. The annuity shall be computed as of the date of the death of the person providing the annuity, notwithstanding that the annuity is not payable at that time by reason of subsection (a).

"(c) AMOUNT OF ANNUITY FOR BENEFICIARY OF PERSON PROVIDING RESERVE-COMPONENT ANNUITY UNDER SBP.—In the case of a person providing a reserve-component annuity for a spouse or former spouse beneficiary under the Survivor Benefit Plan and providing a supplemental spouse annuity for that beneficiary under this sub-chapter, the monthly annuity payable to that beneficiary under this subchapter shall be determined as follows:

"(1) BENEFICIARY INITIALLY 62 YEARS OF AGE OR OLDER.—If the beneficiary is 62 years of age or older when the beneficiary becomes entitled to the reserve-component annuity under the